

APPEAL BRIEF UNDER 37 C.F.R. § 41.37

TABLE OF CONTENTS

	<u>Page</u>
<u>1. REAL PARTY IN INTEREST</u>	2
<u>2. RELATED APPEALS AND INTERFERENCES</u>	3
<u>3. STATUS OF THE CLAIMS</u>	4
<u>4. STATUS OF AMENDMENTS</u>	5
<u>5. SUMMARY OF CLAIMED SUBJECT MATTER</u>	6
<u>6. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL</u>	10
<u>7. ARGUMENT</u>	11
<u>8. CLAIMS APPENDIX</u>	22
<u>9. EVIDENCE APPENDIX</u>	31
<u>10. RELATED PROCEEDINGS APPENDIX</u>	32

PATENT

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant:	Eric J. Howell et al.	Examiner:	Robert D. Rines
Serial No.:	10/016,302	Group Art Unit:	3626
Filed:	October 29, 2001	Docket No.:	2185.001US1
Title:	METHOD AND APPARATUS FOR PROCESSING HEALTH INSURANCE APPLICATIONS OVER A NETWORK		

APPEAL BRIEF UNDER 37 CFR § 41.37

Mail Stop Appeal Brief- Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

This Appeal Brief is presented in support of the Notice of Appeal to the Board of Patent Appeals and Interferences, filed on even date herewith, from the Final Rejection of claims 1-49 of the above-identified application, as set forth in the Final Office Action mailed on October 22, 2007.

The Commissioner of Patents and Trademarks is hereby authorized to charge Deposit Account No. 19-0743 in the amount of \$510.00 which represents the requisite fee set forth in 37 C.F.R. § 41.20(b)(2). The Appellants respectfully request consideration and reversal of the Examiner's rejections of pending claims.

1. REAL PARTY IN INTEREST

The real party in interest of the above-captioned patent application is the assignee, eHealth, Inc.

2. RELATED APPEALS AND INTERFERENCES

There are no other appeals, interferences, or judicial proceedings known to Appellant that will have a bearing on the Board's decision in the present appeal.

3. STATUS OF THE CLAIMS

The application was filed with claims 1-48 on October 21, 2001.

In response to the Office action mailed on February 14, 2006, claims 1, 6, 21, 24, 25, 27, 28, and 48 were amended. In response to the final Office action mailed on February 5, 2007, claims 1, 27, 28, and 48 were amended. Claim 49 was added. In response to the Office action mailed on May 4, 2007, a response was submitted on September 4, 2007 with no claims amended. Another final Office action was mailed on November 16, 2007. This appeal is filed in reply.

The current status of the claims is: claims 1-48 stand four times rejected and claim 49 stands twice rejected, claims 1-49 remain pending, and are the subject of the present Appeal.

Claims 1-7, 9-32, and 34-49 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Lencki et al. (U.S.2002/0049617) in view of Wolff et al. (U.S. 2002/0029158) and further in view of Smithies et al. (U.S. 6,091,835) and are the subject of this appeal.

Claims 8 and 33 were rejected under 35 USC § 103(a) as being unpatentable over Lencki et al., Wolff et al., and Smithies et al. as applied to claims 1 and 28 above, and further in view of Peach (U.S. 2001/0049611) and are the subject of this appeal.

4. STATUS OF AMENDMENTS

No amendments have been made subsequent to the Final Office Action dated November 16, 2007.

5. SUMMARY OF CLAIMED SUBJECT MATTER

This summary is presented in compliance with the requirements of Title 37 C.F.R. § 41.37(c)(1)(v), mandating a “concise explanation of the subject matter defined in each of the independent claims involved in the appeal ...”. Nothing contained in this summary is intended to change the specific language of the claims described, nor is the language of this summary to be construed so as to limit the scope of the claims in any way.

Independent Claim 1 (Figs 1 and 3, [0005], [0049])

Some embodiments of the Application are related to a method for processing health insurance applications over a network (Figs 1 and 3, [0005]), the method comprising:

- presenting a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data by the applicant;
- receiving, at a transaction facility, the health insurance application data from the applicant via the network (Figs 1 and 3, [0005]);
- receiving, at a transaction facility, an electronic signature from the applicant ([0049]);
- obtaining a confirmation from the applicant, in addition to the receiving of the electronic signature, that the applicant intends to be legally bound by the electronic signature ([0049]);
- transforming the health insurance application data into a secure digital file thereby creating a finalized health insurance application (Figs 1 and 3, [0005]); and
- transmitting the secure digital file to the health insurance carrier (Figs 1 and 3, [0005]).

Independent claim 27 (Figs 1 and 3, [0005], [0049])

Some embodiments of the Application are related to a system comprising:

- a plurality of client devices (Fig. 1);
- a transaction facility coupled to the plurality of client devices (Fig. 1) to:

receive health insurance application data from the client devices (Figs 1 and 3, [0005]),
receive an electronic signature from the applicant (Figs 1 and 3, [0005], [0049]),
obtain a confirmation from the applicant, in addition to the receiving of the electronic signature, that the applicant intends to be legally bound by the electronic signature (Figs 1 and 3, [0005], [0049]), and
transform the health insurance application data into a secure digital file thereby creating a finalized health insurance application (Figs 1 and 3, [0005]); and
a plurality of health insurance carrier devices coupled to the transaction facility to receive the secure digital file and other client data (Figs 1 and 3, [0005]).

Independent claim 28 (Figs 1 and 3, [0005], [0049])

Some embodiments of the Application are related to an apparatus comprising:

an electronic presenter to present a user interface to an applicant over the network (Figs 1, 2, and 3, [0005]), the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data, an electronic signature, and a confirmation from the applicant, in addition to the electronic signature, that the applicant intends to be legally bound by the electronic signature (Figs 1 and 3, [0005], [0049]);

an application data processor to transform the health insurance application data into a secure digital file thereby creating a finalized health insurance application (Figs 1, 2 and 3, [0005]); and

an electronic transmitter to transfer the secure digital file to the health insurance carrier over said network (Figs 1, 2 and 3, [0005]).

Independent claim 48 (Figs 1 and 3, [0005], [0049])

Some embodiments of the Application are related to a computer readable medium (Fig 11) that provides instructions, which when executed on a processor, cause said processor to perform operations comprising:

- presenting a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data by the applicant (Figs 1, 2 and 3, [0005]);
- receiving, at a transaction facility, the health insurance application data from the applicant via the network;
- receiving, at a transaction facility, an electronic signature from the applicant (Figs 1 and 3, [0005], [0049]);
- obtaining a confirmation from the applicant, in addition to the receiving of the electronic signature, that the applicant intends to be legally bound by the electronic signature (Figs 1 and 3, [0005], [0049]);
- transforming the health insurance application data into a secure digital file thereby creating a finalized health insurance application (Figs 1, 2 and 3, [0005]); and
- transmitting the secure digital file and other application data to the health insurance carrier (Figs 1, 2 and 3, [0005]).

Independent claim 49 (Figs 1 and 3, [0005], [0049])

Some embodiments of the Application are related to a method for processing health insurance applications over a network, the method comprising:

- presenting a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data by the applicant (Figs 1, 2 and 3, [0005]);
- receiving, at a transaction facility, the health insurance application data from the applicant via the network (Figs 1, 2 and 3, [0005]);
- receiving, at a transaction facility, an electronic signature from the applicant (Figs 1 and 3, [0005], [0049]);

providing the applicant with hyperlinks to portions of the application that have legally binding language to obtain a confirmation from the applicant that the applicant intends to be legally bound by the electronic signature (Figs 1 and 3, [0005], [0049]); transforming the health insurance application data into a secure digital file thereby creating a finalized health insurance application (Figs 1, 2 and 3, [0005]); and transmitting the secure digital file to the health insurance carrier (Figs 1, 2 and 3, [0005]).

This summary does not provide an exhaustive or exclusive view of the present subject matter, and Appellant refers to each of the appended claims and its legal equivalents for a complete statement of the invention.

6. GROUNDS OF REJECTION TO BE REVIEWED ON APPEAL

Claims 1-7, 9-32, and 34-49 were rejected under 35 U.S.C. § 103(a) as being unpatentable over Lencki et al. (U.S.2002/0049617) in view of Wolff et al. (U.S. 2002/0029158) and further in view of Smithies et al. (U.S. 6,091,835).

7. ARGUMENT

Claims 1-49 stand or fall together. Claim 1 is the representative claim. As discussed above, Appellants' invention as claimed is directed at a mechanism for processing health insurance applications over a network.

A) The Applicable Law under 35 U.S.C. §103(a)

Pursuant to 35 U.S.C. §103(a), "[a] patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains." The determination of obviousness under 35 U.S.C. § 103 is a legal conclusion based on factual evidence. *See Princeton Biochemicals, Inc. v. Beckman Coulter, Inc.*, 7, 1336-37 (Fed. Cir. 2005).

Examiner has the burden under 35 U.S.C. § 103 to establish a *prima facie* case of obviousness. *In re Fine*, 837 F.2d 1071, 1074 (Fed. Cir. 1988). To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. M.P.E.P. §2143.03 (citing *In re Royka*, 490 F.2d 981 (CCPA 1974)). "Mere identification in the prior art of each element is insufficient to defeat the patentability of the combined subject matter as a whole." *In re Kahn*, 2006 WL 708687, *9 (Fed. Cir. 2006). Such a teaching or suggestion must be supported by substantial evidence. *Id.* at *8. Substantial evidence is something more than a mere scintilla of evidence. *Id.* "Rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness." *Id.* at *10 (quoted in *KSR Int'l Co. v. Teleflex Inc.*, 127 S.Ct. 1727 (2007)).

Applicant can rebut a presumption of obviousness based on a claimed invention that falls within a prior art range by showing "(1) [t]hat the prior art taught away from the claimed invention...or (2) that there are new and unexpected results relative to the prior art." *Iron Grip*

Barbell Co., Inc. v. USA Sports, Inc., 392 F.3d 1317, 1322, 73 USPQ2d 1225, 1228 (Fed. Cir. 2004).

B) Overview of the Technique in Lencki

The description provided by Lencki relates to a system and method for selection, delivery and management of employee benefits such as healthcare benefits, and, in particular an Internet-based tool which permits customization of an employee benefit plan at the individual level, while maximizing the buying power of the employer group. (Lencki, [0002].) The system in Lencki, allows an employee to personalize a benefit package, choosing benefit modules and options that best fit a particular lifestyle. (Lencki, [0002].)

Lencki discusses the employer determining the minimum benefit package for the company, i.e., health, dental, life, 401(K) etc, and the employee selecting both upgraded and supplemental benefits from discreet line items, e.g., via an on-line mechanism (Lencki [0082]). In Lencki, an employer may determine a specific dollar allowance (a voucher) per employee to support a core benefit package and set parameters around the modules/options available to the workforce. (Lencki, [0081].)

Through the use of a wizard, an employee may be presented with several alternative healthcare packages (recommendations). The employee can then further modify these recommendations by adjusting discreet health benefits and by selecting additional benefits for his or her family. The employee may continue to make selections from benefits as well as other products and services until the voucher dollars are completely allocated. The result of using either the Wizard or the Expert method of selection is a personalized benefit package, resulting in consumer satisfaction. (Lencki, [0084] - [0085].)

Lencki is thus focused on improving employer and consumer satisfaction, while confronting the rising costs of employee benefit offerings (Lencki [0078]) by offering the line items within a benefit category for purchase by the individual (Lencki, Abstract). Importantly, Lencki focuses on employer-based benefits and the true result of Lencki is that it reduces the need for human resources personnel to administer employer benefits.

C) Overview of the Technique in Wolff

Wolff is related to a method for the life insurance industry in which an insurance policy request initiator initiates the creation of an Insurability Documentation File (IDF). An IDF is created by assembling, in electronic form, Insurability Documentation from one or more Service Providers and contains information needed by underwriters or insurers to evaluate the insurability rating of the prospective insured party. The single Insurability Documentation File in conjunction with a Universal Bid Request is submitted to one or more insurers for evaluation of the rating of the proposed life insurance policy. This collection of the expected insurability information into a single electronic file allows for more rapid and efficient handling and evaluation. The insurers may then respond to the Universal Bid Request with an insurability rating bid, which may be used by the prospective insured party to select an insurer for issuing a policy. (Wolff, Abstract.) Wolff explains that the purpose for an Insurability Documentation File is soliciting bids from insurers (Wolff, [0013]).

D) Overview of the Technique in Smithies

Smithies describes a method and system for recording a detailed record or "transcript" of the acts, events and forensic circumstances related to a party's affirmation of an electronic document, transaction or event. The transcript is recorded in a data object made secure through the use of encryption and a checksum. The system directs a ceremony whereby the party affirming the document, transaction or event is required to undertake a series of steps in order to successfully complete the affirmation and have the affirmation recorded; thus participation in the ceremony must take place before an affirmation will be accepted. The steps of the controlled procedure serve to gather evidence to confirm specifics such as that the affirming party: i) is in fact the identified party; ii) understands that by entering affirming data, e.g. a password, key, biometric sample or other affirming data he or she is thereby affirming or becoming legally accountable for the undertakings of the document, transaction or event triggered by computer interaction; iii) has adequately reviewed the document, transaction or statement to be affirmed (where a client application presents such a document transaction or statement to the system of the present invention); and iv) understands the undertaking of an event or the provisions within

the document, transaction or statement and the consequences of affirming it. The system of Smithies can be configured to accept biometric, infometric and cryptographic signatures or affirming acts, such as those created by passwords, secret cryptographic keys, unique secret numbers, biometric recordings such as handwritten signatures or other biometric information, or multi-media recordings of affirming statements. It also permits the affirmation procedure to be tailored to the specifics of a client application through the use of an authentication policy component. (Smithies, Abstract).

E) The Combination of Lencki, Wolff, and Smithies is not Proper

In order to determine whether a claim is obvious in view of a combination of references, it must be ascertained whether "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."¹ However, as emphasized by the court in *In re Kahn*, "[r]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness."² The issue is whether Examiner's reasoning for combining Lencki, Wolff, and Smithies supports the legal conclusion of obviousness. If Examiner's reasoning for combining Lencki, Wolff, and Smithies does not support the legal conclusion of obviousness, the combination of Lencki, Wolff, and Smithies is not proper.

In the Final Office Action mailed on November 16, 2007, Examiner cited 35 U.S.C. §103(a)³ and stated that the cited language of the statute forms the bases of all obviousness rejections set forth in the Office action. The reasoning for combining Lencki, Wolff, and Smithies provided by Examiner is as follows: " It would have been obvious to one of ordinary skill in the art at the time the invention was made to have combined the teachings of Lencki et al. with those of Wolff et al. and Smithies et al. Such combination would have resulted in a

¹ 35 U.S.C. §103(a).

² *In re Kahn*, 2006 WL 708687, *10 (Fed. Cir. 2006) (quoted in *KSR Int'l Co. v. Teleflex Inc.*, 127 S.Ct. 1727 (2007)).

³ Final Office Action mailed on August 20, 2007, page 3.

computer-based system and method which provides for user access to the system via a user-interface (Lencki et al.; Abstract and paragraph [0010]), provides for user entry of enrollment information into the system (Lencki et al.; paragraph [0084]), enables the user to select and purchase benefits from various insurance offered health insurance products (Lencki et al.; paragraphs [0114]), requires that the user confirms choices (Lencki et al.; paragraph [0165]), requires the user to commit to completing the transaction by committing to a dollar amount for each benefit and providing payroll information (Lencki et al.; paragraphs [0179] [0180] [0184]). Additionally, such a system and method would provide for the sending of required disclaimer language to the user in response to selection/choices (Lencki et al.; paragraph [0180]). Further, such a system and method would provide for the creation of a single Insurability Documentation File from entered and collected user data (Wolff et al.; Abstract and paragraph [0014]) and further provide for secure assembly of the document and secure transmission of the document over an encrypted or otherwise secure network to participating insurance companies (Wolff et al.; paragraphs [0015] [0018]). Additionally, such a system and method would have employed well-known techniques for producing and binding legal documents, such as insurance applications, by a multi-step process in which the affirming party is required to confirm that the affirming party (i) is in fact the identified party (ii) understands that by entering the affirming data he or she is thereby affirming or becoming legally accountable for the undertakings of the document (iii) (he or she) has adequately reviewed the document transaction and (iv) understands the undertaking of an event or the provisions within the document (Smithies et al.; Abstract). The motivation to combine the teachings of Lencki et al with those of Wolff et al. would have been to create an Insurability Documentation File that contains information needed by insurers to evaluate a prospective insured party. Further motivation would have been to enable bidding by different insurers to increase the likelihood of the prospective insured finding an insurance policy that fits his or her needs (Wolff et al.; Abstract). The motivation to combine the additional teachings of Smithies et al. would have been to employ well-known techniques for electronically binding contractual documents by gathering additional collateral evidence to support the contention that the electronic signature was input by the person who is claimed to be the affirming party and to generate a comprehensive transcript of record of the facts and

circumstances associated with a party's action as they "sign" and "affirm" and electronic document (Smithies et al.; col. 5, lines 40-44 and col. 6, lines 61-65)."⁴

However, at the time of the invention, it would not be obvious to one of ordinary skill to combine Lencki, Wolff, and Smithies in the manner set forth in the Office Action. The Office Action has failed to meet the burden of providing rational underpinning to support the legal conclusion of obviousness.

As discussed above, Wolff describes providing a single Insurability Documentation File in conjunction with a Universal Bid Request to one or more insurers for evaluation of the rating of the proposed life insurance policy. The insurers may then respond to the Universal Bid Request with an insurability rating bid, which may be used by the prospective insured party to select an insurer for issuing a policy. (Wolff, Abstract.) Wolff is thus aimed at facilitating the step where a consumer is choosing an insurer based on the solicited bids. Lencki, on the other hand, addresses the step where a consumer (an employer) has already made a decision regarding the selection of the insurance provider and is now allowing the employees to fine tune the selection of benefits offered by the provider. (Lencki, [0081], [0082].) Smithies is not related to any particular stage of shopping or applying for any kind of insurance. Returning to Lencki, because the techniques described in Lencki are applied in a situation where an insurance provider has already been selected (by the employer), the soliciting of bids is no longer useful or appropriate on the part of the employee. Conversely, the insurance provider does not have a need for an Insurability Documentation File, as all employees in Lencki are already deemed to be eligible for insurance coverage. In other words, the bidding in Wolff is useless in the context of employee selecting supplemental benefits to an employer-selected core benefits package (Lencki [0082]).

In the Final Office Action mailed on November 16, 2007, Examiner stated that Wolff was cited to evidence the assembly of information into a secure file for transmission via a network and that the bidding process described in Wolff is immaterial to the reasons for rejection of

⁴ Final Office Action mailed on November 16, 2007, page 25.

claims 1-49.⁵ However, Applicants submit that mere identification in the prior art of each element is insufficient to defeat the patentability of the combined subject matter as a whole.⁶ A person skilled in the art, when presented with Lencki, where an employee is permitted to select from upgraded and supplemental benefits after the employer has determined the minimum benefit package for the company (Lencki [0082]), would have no reason to look to Wolff that deals with life insurance providers submitting bids based on Insurability Documentation File for a particular prospective insured party (Wolff, Abstract). In Lencki, the employee has already secured the basic insurance needed, there is no need for further bids or an Insurability Documentation File.

Thus, Examiner failed to provide a reasoned rationale for obviousness in view of Lencki and Wolff, and therefore the combination of Lencki and Wolff fails to make a prima facie showing of obviousness. It is respectfully requested that the rejections in view of Lencki and Wolff combination be reversed.

It is submitted that combining Lencki and Wolff with a further reference (Smithies) is also not proper. Smithies is not related to procuring insurance coverage, but is rather related to a party's affirmation of an electronic document, transaction or event. (Smithies, Abstract.) A person skilled in the art, when presented with Lencki (that deals with insurance benefits provided by an employer) or with Wolff (that deals with soliciting bids from insurance providers) will not have a reason to look at affirmation techniques of Smithies, because neither Lencki nor Wolff contemplate creating a finalized health insurance application on-line. Examiner, therefore, failed to provide a reasoned rationale for obviousness in view of Lencki, Wolff, and Smithies, and therefore the combination of Lencki, Wolff, and Smithies fails to make a prima facie showing of obviousness. It is respectfully requested that the rejections in view of Lencki, Wolff, and Smithies combination be reversed.

F) Wolff Teaches Away From the Subject Matter of the Rejected Claims

⁵ Final Office Action mailed on November 16, 2007, page 32.

⁶ *In re Kahn*, 2006 WL 708687, *9 (Fed. Cir. 2006).

As explained above, Wolff describes an Insurability Documentation File that contains information needed by underwriters or insurers to evaluate the insurability rating of the prospective insured party (Wolff, Abstract). In the Final Office Action mailed on November 16, 2007, Examiner maintains that an Insurability Documentation File is a form of an insurance application. Applicants would like to point out that 35 U.S.C. §103(a) prescribes that the determination of obviousness is made based on the subject matter as a whole. The subject matter claimed in claim 1 as a whole includes not only creating a finalized health insurance application based on the received application data, but also operations such as receiving an electronic signature from the applicant and a confirmation that the applicant intends to be legally bound by the electronic signature. It is thus submitted that a finalized health insurance application, as provided in the context of claim 1, is drastically different from an Insurability Documentation File where the submitting party is merely seeking bids, as described in Wolff. Furthermore, Applicants respectfully disagree with Examiner's statement⁷ that a mere submission of an Insurability Documentation File indicated an intent on the part of the submitting party to be legally bound. A mere request for bids may indicate that the submitting party would like to compare the premiums charged by different providers, but in no way suggests that the submitting party intends to be legally bound by any term, condition, or signature. As stated in the previous communications to Examiner, treating a request for bids, even if accompanied by an Insurability Documentation File, as a finalized health insurance application complete with an electronic signature and a confirmation that the applicant intends to be legally bound by the electronic signature would defeat the purpose of soliciting bids from insurers (as in Wolff) and being free to choose any one of the providers or none at all. Thus, Wolff teaches away from "obtaining a confirmation from the applicant that the applicant intends to be legally bound by the electronic signature" and "transforming the application data into a secure digital file thereby creating a finalized health insurance application." Quite simply, the Examiner failed to provide a reasoned rationale for obviousness in view of Wolff. Therefore, the combination of Wolff with other cited references fails to make a prima facie showing of obviousness. It is respectfully requested that the rejections in view of the combination of Wolff with other cited references be reversed.

⁷ Final Office Action mailed on November 16, 2007, page 33.

G) Lencki, Wolff, and Smithies Combination Does Not Disclose Each Element of the Rejected Claims

Examiner has the burden under 35 U.S.C. § 103 to establish a *prima facie* case of obviousness.⁸ To establish *prima facie* obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art.⁹ Thus, unless the Office Action shows that the proposed combination of the cited documents relied upon by Examiner for obviousness rejections, namely Lencki, Wolff, and Smithies, discloses or suggests all elements of claim 1, claim 1 is patentable in view of Lencki, Wolff, and Smithies.

It is submitted that Lencki, whether considered separately or in combination with Wolff, and Smithies fails to disclose or suggest "transforming the client data into a secure digital file thereby creating a finalized health insurance application," as recited in claim 1. The Office action correctly stated that Lencki fails to disclose assembly of user information into a single secure document for transmission to insurance carriers. More particularly, referring to the wording in the claims, Lencki fails to disclose or suggest creating a finalized health insurance application by transforming the client data into a secure digital file. The Office action cites Wolff to show this feature. The insurability documentation file disclosed in Wolff is electronically transmitted over a secure network to participating insurance companies in order to evaluate the insurability of the prospective insured party (Wolff, [0018]). It is submitted that an electronic document that is not a secure digital file (e.g., a document that may be edited) may be transmitted over a secure network. Thus, while Wolff discloses transmitting the insurability documentation file over a secure network, Wolff fails to disclose "transforming the client data into a secure digital file," as recited in claim 1.

The Office Action attempts to bypass this failure by citing the passage in Wolff as shown below.

Upon the acceptance of a bid by the customer, authorized agent, or authorized wholesaler, the customer or his representative will prepare the official approved

⁸ *In re Fine*, 837 F.2d 1071, 1074 (Fed. Cir. 1988).

⁹ *In re Royka*, 490 F.2d 981 (CCPA 1974).

insurance application form and submit it to the selected insurance carrier. In the preferred embodiment of the invention, this application may be downloaded from a web site associated with the centralized insurance file assembly system.

(Wolff, [0020], emphasis added.)

It is clear from the excerpt above that the insurance application form is not the same as the insurability documentation file (cited by the Office action to show a secure digital file). Furthermore, there is no indication in Wolff that the insurance application *form* does not need to be filled out or at least signed by the customer, and thus is not a secure digital file. Also, the insurance application *form* is distinct from a finalized health insurance application, because an insurance application *form* may still need to be filled out and signed. In fact, there is no need for a *form* to be secure. It is merely a series of uniform questions. It is the answers to those questions, the completed application, that needs to be secure.

Thus, Wolff, whether considered separately or in combination with Lencki and Smithies, fails to disclose "transforming the client data into a secure digital file" in general and "transforming the client data into a secure digital file thereby creating a finalized health insurance application" in particular.

Smithies is directed at a method and system for transcribing electronic affirmations (Smithies, Title) and also fails to disclose this element of claim 1, whether considered separately or in combination with Lencki and Wolff.

Thus, because the combination of Lencki, Wolff, and Smithies does not teach all limitations of claim 1, the Examiner failed to establish *prima facie* obviousness of claim 1. It is respectfully requested that the rejection be reversed.

SUMMARY

The reasons argued above are summarized as follows. First, Examiner failed to provide a reasoned rationale for obviousness in view of Lencki, Wolff, and Smithies, and therefore the combination of Lencki, Wolff, and Smithies is not proper. Second, Wolff teaches away from the

subject matter of claim 1. Third, the combination of Lencki, Wolff, and Smithies fail to disclose or suggest every element recited in claim 1. For the reasons articulated above, with respect to claims 1-49, Examiner failed to make *prima facie* showing of obviousness under 35 USC § 103(a) in view of the combination of Lencki, Wolff, and Smithies. It is respectfully submitted that the art cited does not render the claims 1-49 obvious and that the claims are patentable over the cited art. Reversal of the rejection and allowance of the pending claims are respectfully requested.

If necessary, please charge any additional fees or credit overpayment to Deposit Account No. 19-0743.

Respectfully submitted,

ERIC J. HOWELL ET AL.

By their Representatives,

SCHWEGMAN, LUNDBERG & WOESSNER, P.A.
P.O. Box 2938
Minneapolis, MN 55402
408-278-4041

Date May 15, 2008

By /Elena Dreszer/
Elena B. Dreszer
Reg. No. 55,128

CERTIFICATE UNDER 37 CFR 1.8: The undersigned hereby certifies that this correspondence is being filed using the USPTO's electronic filing system EFS-Web, and is addressed to: Mail Stop Amendment, Commissioner of Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on this 15th day of May 2008.

Dawn R. Shaw
Name

/Dawn R. Shaw/
Signature

8. CLAIMS APPENDIX

1. A method for processing health insurance applications over a network, the method comprising:
 - presenting a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data by the applicant;
 - receiving, at a transaction facility, the health insurance application data from the applicant via the network;
 - receiving, at a transaction facility, an electronic signature from the applicant;
 - obtaining a confirmation from the applicant, in addition to the receiving of the electronic signature, that the applicant intends to be legally bound by the electronic signature;
 - transforming the health insurance application data into a secure digital file thereby creating a finalized health insurance application; and
 - transmitting the secure digital file to the health insurance carrier.
2. The method of claim 1 further comprising providing the applicant a form of electronic payment.
3. The method of claim 2 further comprising assembling the form of electronic payment into the secure digital file.
4. The method of claim 1 obtaining of the electronic signature from the applicant comprises providing to the applicant a form of electronic signature to authenticate the applicant's intention to enter into a health insurance contract.
5. The method of claim 4 further comprising assembling the form of electronic signature into the secure digital file.

6. The method of claim 1 wherein the obtaining of the confirmation from the applicant that the applicant intends to be legally bound by the electronic signature comprises:

- requesting the applicant to type the applicant's name twice;
- requesting the applicant to type the date;
- providing the applicant with hyperlinks to portions of the application that have legally binding language; and
- requesting the applicant to check an acknowledgement box and click a button indicating the applicant's intention to be legally bound.

7. The method of claim 1 wherein the electronic health insurance application is in the form of any one of an hypertext markup language (HTML) page, an extensible markup language (XML) page, a dynamic HTML page, and a JavaScript.

8. The method of claim 1 wherein the health insurance plan selected by the applicant varies for individual applicants, private group applicants, and commercial group applicants.

9. The method of claim 1 wherein presenting a user interface to an applicant over the network further comprises: providing a user interface to enable the applicant to enter data required in an application; verifying that the data entered by the applicant is appropriate for the application; populating an electronic application with the application data provided by the applicant; permitting the applicant to view the populated application; and permitting the applicant to reject or approve the populated application.

10. The method of claim 9 further comprising allowing the applicant to create a customer account wherein the applicant can save application data.

11. The method of claim 9 wherein verifying that the data entered by the applicant is appropriate for the application further comprises analyzing the application data received from the applicant to determine, according to predetermined business rules, whether the applicant has provided appropriate information.

12. The method of claim 9 wherein providing a user interface to enable the applicant to enter data required in an application further comprises assisting the applicant to choose a health plan based on a plurality of factors pertaining to personal data of the applicant.
13. The method of claim 12 wherein the personal data comprises any one of the number of persons covered under the health plan, relation between the persons and the applicant, the age of the applicant, prior health history of the applicant, a desired price of the plan, a preference of the applicant regarding a health insurance carrier providing the plan, and a preference of the applicant regarding the type of benefits associated with each plan.
14. The method of claim 1 wherein transforming the application data into a secure digital file comprises assembling and encrypting the application data into a preformatted electronic document.
15. The method of claim 14 wherein the preformatted electronic document comprises unalterable content.
16. The method of claim 15 wherein the unalterable content is characterized by a fixed language, fixed font formats, and fixed style elements.
17. The method of claim 14 wherein the preformatted digital document is an Adobe.TM. portable document format (PDF) file.
18. The method of claim 14 further comprising: associating a unique electronic key with the secure digital file; and storing the unique electronic key in a look-up table.
19. The method of claim 14 further comprising: allowing the applicant to view the secure digital file; and allowing the applicant to reject, or approve the secure digital file.
20. The method of claim 1 further comprising: presenting a user interface to the health

insurance carrier for processing electronic application data; and receiving processing updates from the health insurance carrier.

21. The method of claim 20 wherein presenting a user interface to the health insurance carrier for processing electronic application data comprises allowing the health insurance carrier to search the prior history of the applicant.
22. The method of claim 20, wherein presenting a user interface to the health insurance carrier for processing electronic application data comprises allowing the health insurance carrier to view and print the secure digital file.
23. The method of claim 20, wherein presenting a user interface to the health insurance carrier for processing electronic application data comprises: allowing the health insurance carrier to attach notes to the electronic application; allowing the health insurance carrier to update the status of the application; allowing the health insurance carrier to download attached data files associated with the health insurance application; and allowing the health insurance carrier to upload a data file including processing updates.
24. The method of claim 1 further comprising electronically communicating to the applicant processing updates made by the health insurance carrier.
25. The method of claim 24 wherein electronically communicating to the applicant the processing updates made by the carrier comprises creating an electronic message indicating the processing updates.
26. The method of claim 25 further comprising sending the electronic message to the applicant.
27. A system comprising:
 - a plurality of client devices;
 - a transaction facility coupled to the plurality of client devices to:

receive health insurance application data from the client devices, receive an electronic signature from the applicant, obtain a confirmation from the applicant, in addition to the receiving of the electronic signature, that the applicant intends to be legally bound by the electronic signature, and transform the health insurance application data into a secure digital file thereby creating a finalized health insurance application; and a plurality of health insurance carrier devices coupled to the transaction facility to receive the secure digital file and other client data.

28. An apparatus comprising:

an electronic presenter to present a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data, an electronic signature, and a confirmation from the applicant, in addition to the electronic signature, that the applicant intends to be legally bound by the electronic signature;

an application data processor to transform the health insurance application data into a secure digital file thereby creating a finalized health insurance application; and

an electronic transmitter to transfer the secure digital file to the health insurance carrier over said network.

29. The apparatus of claim 28 further comprising an electronic payment module to provide the applicant a form of electronic payment.

30. The apparatus of claim 28 further comprising an electronic signature module to provide the applicant a form of electronic signature to authenticate the applicant's intention to enter into a health insurance contract.

31. The apparatus of claim 30 wherein the electronic signature module requests the applicant to type a name into the electronic signature twice, requests the applicant to electronically date the

signature, and requests the applicant to check [[a]] an acknowledgement box and click a button, indicating the applicant's intention to be legally bound.

32. The apparatus of claim 28 wherein the electronic health insurance application is in the form of any one of a hypertext markup language (HTML) page, an extensible markup language (XML) page, a dynamic HTML page, and a JavaScript.

33. The apparatus of claim 28 wherein the health insurance plan selected by the applicant varies for individual applicants, private group applicants, and commercial group applicants.

34. The apparatus of claim 28 wherein the electronic presenter provides a user interface to enable the applicant to enter data required in an application that corresponds to a chosen health plan.

35. The apparatus of claim 28 wherein the electronic presenter is further to assist the applicant to choose the health insurance plan based on a plurality of factors pertaining to personal data of the applicant.

36. The apparatus of claim 35 wherein the personal data includes the number of persons covered under the health plan, relation between the persons and the applicant, the age of the applicant, prior health history of the applicant, a desired price of the plan, and a preference of the applicant regarding a health insurance carrier providing the plan.

37. The apparatus of claim 28 further comprising a business rule module to analyze the application data received from the applicant to determine, according to predetermined business rules, whether the applicant has properly filled out the electronic health insurance application.

38. The apparatus of claim 28 wherein the application data processor is to transform the application data into a secure digital file by assembling and encrypting the application data into a preformatted electronic document.

-
39. The apparatus of claim 38 wherein the preformatted electronic document comprises unalterable content.
40. The apparatus of claim 38 wherein the unalterable content is characterized by a fixed language, fixed font formats, and fixed style elements.
41. The apparatus of claim 38 wherein the preformatted digital document is an Adobe.TM. portable document format (PDF) file.
42. The apparatus of claim 28 wherein the application data processor is to associate a unique electronic key with the secure digital file and to store the unique electronic key in a look-up table.
43. The apparatus of claim 28 further comprising an applicant user interface to allow the applicant to view the secure digital file before it is transmitted to the carrier, and to allow the applicant to approve or reject the application.
44. The apparatus of claim 28 further comprising a carrier user interface to allow the health insurance carrier to view and print the secure digital file.
45. The apparatus of claim 28 further comprising a carrier user interface to allow the health insurance carrier to attach notes to the electronic application, to allow the health insurance carrier to update the status of the application, to allow the health insurance carrier to download attached data files associated with the health insurance application, and to allow the health insurance carrier to upload a data file including processing updates.
46. The apparatus of claim 28 further comprising a carrier user interface to allow the health insurance carrier to search the prior history of the applicant.

47. The apparatus of claim 28 further comprising a status notifier to notify the applicant of the status of the application.

48. A computer readable medium that provides instructions, which when executed on a processor, cause said processor to perform operations comprising:

presenting a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data by the applicant;

receiving, at a transaction facility, the health insurance application data from the applicant via the network;

receiving, at a transaction facility, an electronic signature from the applicant;

obtaining a confirmation from the applicant, in addition to the receiving of the electronic signature, that the applicant intends to be legally bound by the electronic signature;

transforming the health insurance application data into a secure digital file thereby creating a finalized health insurance application; and

transmitting the secure digital file and other application data to the health insurance carrier.

49. A method for processing health insurance applications over a network, the method comprising:

presenting a user interface to an applicant over the network, the user interface including information pertaining to a health insurance plan selected by the applicant and facilitating input of health insurance application data by the applicant;

receiving, at a transaction facility, the health insurance application data from the applicant via the network;

receiving, at a transaction facility, an electronic signature from the applicant;

providing the applicant with hyperlinks to portions of the application that have legally binding language to obtain a confirmation from the applicant that the applicant intends to be legally bound by the electronic signature;

transforming the health insurance application data into a secure digital file thereby creating a finalized health insurance application; and

transmitting the secure digital file to the health insurance carrier.

9. EVIDENCE APPENDIX

None.

10. RELATED PROCEEDINGS APPENDIX

None.